

To whom it may concern,

Can we chat openly about some concerns I am seeing in all this movement in retirement that I feel is being totally ignored, involving issues of all the retirement out there?

Now, I am not some expert with a PHD, and I certainly am not going to act like I am some actuarial expert in retirement, but I have had a few years to study one in depth with another person, and that fund is the Central States Pension Fund. You know that fund that Represent Neal is helping introduce legislation to fix, and we are so grateful, and cannot thank him enough, for understanding the larger picture. If these people lose their pensions, and with the PBGC also going insolvent, these poor especially older people would not only lose their dignity, but many would, for the first time in their lives, must look to the Government for assistance.

These proud people, who's bodies, are worn from years, upon years, upon years, doing the same thing, that did nothing more than gave them decent wages, and gave them a decent retirement, who just pushed for that small fragment of the American Dream. Some served this country, and then took these jobs. There was nothing glamorous about these jobs. There were no fancy conferences, or lavish dinners over business, for these people. Their suits were for church, which was rare, as they were usually working on Sundays.

Where some worked 40 or 50 hours per week, it wasn't like that for my Dad. It was a 2-hour notice, drive from Omaha to Cheyenne or Omaha to Julesburg Colorado, or to the Quad Cities from Omaha, back home, sleep 8 hours, and back out again. Day in Day out. Never ending for many, many years. Now, add 10-hour driving, 8 hours sleeping, 10 hours driving, 8 hours sleeping, and tell me what my Dad's hours were each week? He didn't drive just days, He drove nights too. Years and years and years. Did he make his fortune? No, but people got their food, their supplies, their clothes, their furniture, or whatever, people needed in this country.

And recognition? These people were never recognized as the heroes they really were to this country. The dock workers, the factory workers, will never have what you have. Their names will not be known when they pass to anyone but their own friends and family.

Does this make them less important?

So, let's get to the meat of why I am writing. Again, I have done some research. It's been 4 years now on Central States pension fund. Now, I have no formal experience with any of this, but one question bothered me, about my Dad's pension, and finding out under MPRA that he was going to be cut.

1. Why those letters Dad got, contradicted what he was being told verbally by people, and
2. How a bill to cut him could pass in Congress when no one even know it was happening? Imagine my surprise when I found out the Fund Administrator/manager of the fund, was the one telling all of you (Congress), to do it. This really bothered me. I mean, I know my Dad is just a truck driver, who could tell you what mile marker are where from here to Cheyenne, and who could shift gears on trucks none of you could have driven, but nobody cared enough to tell him how dire the fund is, and that it wouldn't have mattered anyway, since he has no say in anything.

This fund that was unique. The fund was pressured to stop their investments into Las Vegas because of Mob ties back in the 80s. Because the mob was connected to Las Vegas. Does that mean now, MGM, Disney, and President Trump have mob ties, because they all are invested in Vegas now?

At least if casinos failed, the asset of the land, had value, and even that was removed from this fund because of those ties. (Please refer to the GAO report in 1980, where the investigation into Central States was found inadequate).

So, if that investigation that found fraud, and found mismanagement, but was inadequate to the GAO, what exactly was the Government then looking for, because Donovan of the DOL, still didn't relent, and eventually the trustees threw their hands in the air, and said, "Do with the fund as you see fit. We are done being harassed, bullied, and threatened. (Reminds me of the time the government was running around in the 50s and accusing everyone including Unions of being Communistic. "Take note young people, our Government has been a little conspiracy theory nuts, and the Union was always a hidden threat to Government."

I am not saying there were not mob ties connected with Vegas, because there was, but I don't think every trustee, was mob connected, and if they were, they got out in 1977, and the new ones that took over were clueless, uneducated, and could not handle the threats and pressure, the Justice Department, the IRS, and the Department of Labor was giving them, hence, a "Federal Consent Decree."

And guess what? That gave our wonderful banks control of the pension money. Now keep in mind, this did not negate the DOL's role of oversight, but I assure you, most of the time the DOL looked the other way. So, on a whim from a higher power, I started researching. You know what I found? I find first class travel, trips to Hawaii. I found odd transactions, money being floated by Mellon. Do you even know what the word floating means in pensions? I found out the ISC guy was in his late 80s, and had Parkinson's Disease, and the Judge had esophagus cancer, at the most critical time, when the fund lost billions upon billion of dollars in 2008. Now, where was the DOL, when all of that was going on? Remember Central States was under a Federal Consent Decree, but those who were appointed to oversee it were sick? Where even in the GAO report, given by Grassley was that talked about? Why ignore that reality, and not document that?

Now, if you are failing at managing a fund, what do you do?

You do what Thomas Nyhan did, and join an entity, and be an advisor for the Department of Labor, and rub elbows with people like Borzi, and take trips abroad, and try and come up with things like you all are doing here. Global pension reform? Of course, you would, as you don't want to be remembered as just "that" guy who was a failed fund manager. So, why with such a dismal future would he not resign? Because he now uses the fund to be a token speaker, in different countries, in different places. Is he spending pension money to do so? We don't know, expenses are not itemized, but we do know a fiduciary, never uses a fund to his own advantage. Well, at least some of us know that.

You get the National Coordinating Committee on Multi-Employer Pensions, NCCMP to include actuaries, ERISA attorney's and investment companies, and who legislated, "and believe me, they were good at it, to keep the premiums of the Pension Benefit Guaranty Corporation down so low, that now they are

going broke? This entity has the nerve to say they are acting in the best interests of participants, and have convinced Congress because they have these so-called experts in their entity?

Congress, do you know the millions, upon millions, upon million, of dollars people in this organization have made off these funds? Do you really think these people are so objective?

They wanted the participants cut, even as they legislate for less transparency, less accountability, and less oversight by all of you?

Let's look at that composite plan. Can anyone tell me, why in a glorified 401k investment plan, why all these people making so much money off other people's investment would even be needed? And yet, wasn't that the goal? To keep themselves in the mix of all this money?

Don't you all get it yet? What this is really supposed to be about? It's supposed to protect my Dad, and the fund. Isn't that what ERISA Law was to do?

Maybe Congress needs to look at the life span of people by jobs. Because I have no doubt, many lifespans exceed those of a truck driver who has worked all his life doing so.

I don't get it. ERISA Law protected retirement. And yet, let's face it, these retirements have become a way to supplement additional income for people. Dad was one of the few I knew in the Union who retired at 65. And those who didn't won't get their full PBGC insurance. Now, do you think if these people indeed knew that the fund was going insolvent, they wouldn't have protected their futures by working to 65? But none of this was told to them. The Central States Letter was so cryptic, no one knew.

It's about a Government who listens to the wrong people and misses the whole point of what Laws are supposed to do that have been ignored. Protect the participants, protect the funds.

Your wonderful DOL, who is supposed to be enforces, has been AWOL for many years. Want proof? No problem.

The 2008 scandal is the biggest most glaring piece of failure to protect people, I have ever seen. I have repeated this so many times, I want to just get a recorder and play it back, because I am sick to death of making the point on deaf ears.

Central States Pension fund was managed by a Federal Consent Decree, by major financial institutions, namely banks. Again, your amazing Government Decreed it to be done.

It all started around the 2000-2001 mark. I most certainly know, as I was on the bottom rung of it all. Oh, the Millennium, was the huge turn for things, well before someone got some great idea and told average people, they needed to start investing in Wall Street to make their fortunes so they could retire millionaires. Remember that beautiful 4% or 5% interest banks gave before that? Well that went out the window as soon as all of this happened, and left absolutely no competition, and forced people to have to invest in Wall Street, in the early 90s. 401k's will make you rich, we were all told. Was it deliberate? I believe it was. This has gone on, far, far too long, to not see it. Again, involvement of our Government and this has been great for the middle class? Well, last time I read, the middle class is decreasing, now isn't it? And even the elderly, are now impacted.

Anyway, it started small. A person here, and a person there, getting loans, when you just knew, they shouldn't be buying. People making as little as \$15000 a year, getting a \$60,000 home, may not seem like a big deal, but when you know the adjustable rate that will hit them in 3 years, and that their payments will exceed what they earn per month in 3 years, something was wrong. Disabled people, who had no opportunity to improve themselves. It was disgusting. Next came the people who had horrific credit, and the "it's okay," we will overlook those things, and then when people were buying homes, and within 6 months, refinancing into mortgages that some said were 120% over the value of their homes, and yet, I saw some that were way beyond that, and people were calling me because they were strapped financially and going to lose their homes, and I was enlisted by a company to have to kick them out, and the sky was the limit, and I was making more money than I dreamed, so what did I do? I put my license inactive.

This was wrong! This wasn't helping people. It was no longer about ethics, nor fiduciary responsibility. It was just about making money, for the wrong reasons. People don't cheat people, nor lie to them, nor allow them to be hurt, just to make money. This is not what all those classes I had taken taught me. And yet, how many other agents left at that time?

And when 2008 came and went, and pensions and 401k's lost trillions, I am sure. I know those agents, who made money didn't have to give it back. They kept their money in their pockets for that greed, and so did the banks, and the investment firms, and everybody else.

What blew me away, is that wasn't enough for these people. To hide it, they were selling "most of the mortgages." Good ones, and ones they knew were bad. How many people were wondering why their mortgages were suddenly in the hands of banks they didn't know at that time? Seriously, you had no family nor friends, telling you about it?

It was to hide the bad ones with the good ones. In the scheme of large or small, any small person would have been in prison for what was done here, because suddenly you were creating fraud, and they were all doing it, new it, and these mortgages, good and bad were being passed off, like a hot potato to try and cover this.

And what happened? OUR GOVERNMENT ALLOWED THEM MERCY. FLAT OUT FRAUD, AND BECAUSE THEY WERE TOO BIG TO FAIL, YOU ALL GRANTED THEM MERCY.

Now what you did, after that, and it was kept on the downlow, was take money from almost every single one of those banks. You called it "fines." Since only one person was prosecuted, ONLY ONE! This wasn't taxpayer money. This was fines, but knowing the circumstances, I say, it is more like a payoff by the banks to our own Government. And you looked at doing what with those fines? Setting right what the banks did wrong? You just focused on the people who shouldn't have been buying houses in the first place, who really knew they couldn't afford this, and you focus on them, instead of the money the banks grabbed up in retirements to plug a hole they created that was just too big, and it was sucked into the black hole of fraud? You, our Government collected over 321 billion dollars, put it in the general fund, and now some in our Government call Neal's bill is a bailout because it's taxpayer money??????? But, talking about accountability, what exactly happened to all that 321 billion dollars? All that money taken in fines most certainly wasn't spent on the housing market restitution. Excuses, that never answer questions. And what is worse, is the Department of Labor, didn't think that any of those fines should have helped supplement these pensions, and didn't go after the banks, and Nyhan of Central States said

publicly in an interview, that he didn't blame the banks, nor did he go after any of them either. A Local Leader went after Mellon and got "some" money back. But not the administrator who is supposed to be an expert attorney?

So, when we send letters like this to point these things out, do you even read them? Do you want to say, "yeah, we could have handled it better?" No, you keep listening, to people who would leave people with pennies on the dollar, just to keep their dollars in their hands.

Ethics, morals, fiduciary, aren't in your hearings. God forbid, you address that. You talk about changes, for people, you talk about rewriting laws, but nobody looks at the reality here that the system of laws meant to protect funds, and the participants may have been compromised. YOU NEVER TALK ABOUT THAT!

If that wasn't proven with MPRA, then nothing was. A law, changing ERISA, that suddenly took the rights of the participants away to sue, if you don't vote it's counted as you agree vote, and other things, that undermined the rights of participants, and that was introduced and passed in the dark of night.

You, say you want to really help the retirement system, and yet everyone is so consumed about changing legislation that they think isn't working, when, the laws of fiduciary responsibility, being accountable, enforcing the laws on the books, and adding more transparency, to prevent fraud and mismanagement may simply fix that. But your lobbying experts most certainly don't want that, now do they?

I don't know, but forcing employers to pay more money, and this withdrawal liability, is unfair, when there are other funds, that are working, and yet, by geography, or lack of money, they are bound to Zombie funds, with no hope? This is how Democracy really works?

So, you want my take on 4 years research, by someone who most certainly have watched these experts watch this money mess, and retirement system that you all know isn't working, because you are focusing on it.

Issues not being addressed here:

1. When the market fell, the DOL, should have immediately asked for assistance in those funds who lost their butts. The DOL, knew how much was invested in the housing markets by these funds, and if they didn't, they should have. I would love you to see Central States 2008 5500 forms, that were given to us by the DOL, and were corrupted. Yes, corrupted. Now why that was, is beyond me, but what you can see in the investment's points to way too much being invested in housing, and back end bets in housing by yours truly, the banks this government demanded the fund use, which was any of them, and the deer in the headlights, and the downplaying pure fraud, is beneath even Congress, and yet, how many continue to ignore it like it's a dirty little secret they want to ignore.
2. We have filed a complaint on Central States to the Department of Labor, for the 1st class travel on planes, in which is documented on Central States 990 reports, that admit they do so. We have documentation of a trip to Hawaii, by the trustees and upper management of Central States, immediately after the cut letters were sent to participants of this fund under MPRA, that was going to cut them.

Also, in the complaint, we are showing that even as Thomas Nyhan was in Congress talking to you all about trying to first partition people out of the fund, and then just cutting them, as a fund manager, he had no ethical or moral responsibility to inform these people, of his intent before MPRA passed? These people were blindsided by this, because the communication relayed to these people, is in actuarial verses laymen terms, and not until MPRA passed were the participants clear on exactly where the fund stood, when an insolvency date was added, and I will project how this math really works, verses how it absolutely is not an exact science in pensions. Which is scary. There are more things we addressed, here, but even if one is a breach, is that not enough?

The DOL is not enforcing, as it's intent under ERISA is to do so. We got a letter back saying we need more information to give them. The problem here is we don't have the CS's itemized statements, nor will they give them to us. The DOL on the other hand could get them but are refusing to make the attempt to do so, and throwing it back on us. Is this enforcing, or ignoring? Teamster Local 707 filed a complaint. New York State Teamster filed a complaint. Different people in different funds affected in different ways, and the DOL, continues to be silent about those complaints. We just wonder how many more complaints have been filed that go unaddressed by this entity, and why their role has been overshadowed in your need to address the issue? The DOL's role here is being downplayed by the complete stupidity of the PBGC's underfunding, so they go under the radar? Fischer, Grassley and Ernst's aides were at a meeting we held with them, in which Wayne Berry told us, "our only job was to get the fund out of the hands of the mob." (Exact words here folks, meaning CS pension fund). Now, where is there own accountability here?

3. The stock market. $14000+3000=17000$. $17000-3000=14000$. Now where are these giant returns over these many years. When the stock market fell in 2001, 2008, and 2018. The trend here is not looking good for people, who want retirement, unless, they happen to retire right before the stock market falls, which is now making people beholden to the market for retirement, and not because they need to or want to. Doesn't this bother any of you? Of course not, you know you all have it better than most of the population in this country. 23% was the "average" cut to Central States Participants, under MPRA. Do you all know really what created that average? Either people weren't cut, or they were cut severely. And remember it failed, and this was THE MAN, who spoke to Congress about getting MPRA done? The person who would have been cut 70% wasn't feeling that 23% average, and what's sad, is that UPS, simply screwed up and made themselves, responsible for their own people, in Central States, when they left the fund in 2007, and MPRA, was just a way, to fix that lousy agreement. Congress needs to educate themselves better, one why UPS, has been so involved. Because, UPS, even hired a entity to try and deceive the participants into following them. That entity was called, POWR.
4. There is simply no competition to anything else, and that is a huge problem. At least interest rates, though meager by the banks weren't forcing people to invest in the markets years ago. Somehow, I can't see the banks wanting interest rates any higher anymore. Why pay 4% on savings, when you can scoop people's money up by using backhanded, no accountability ways and make yourselves much, much richer in doing so. The Government needs to find another way to create competition to prevent this from happening.

5. Those 5500 forms of Central States. Mellon is floating money. How long, how much we don't know because it's not disclosed. Attrition rates, meaning how exactly old the participants really are in these older funds, for all of you to know, just exactly what we are dealing with, and the ages of those who are being literally attacked by all of this. First MPRA, then insolvency, and now the retirees insurance that wouldn't pay them anything but poverty rates, isn't even going to pay that, in a few years? Do you people up there know exactly who you hurt when you change all these rules? I know you don't, but this don't ask, don't tell stuff, when you are impacting elderly people, has got to stop. Disclosure simply sucks here. You, and the participants, have the right to know anything regarding their own money. We aren't asking for social security numbers, we are asking for the age dynamics, especially in these critical and declining funds that need your help. Ignoring it, when you know there has been push back against legislation and loans to fix these funds, might help clear the air, that it is the older population that will be completely devastated if this is not fixed. It's not the Union, it's not the businesses, it's the older population here. But look at the diversion to that truth that keeps biases on the table verses, focusing on good American's who need your help.
6. Understanding that retirement at 65 is all that's needed here. Anyone, everyone. It was legislated in 1974, and it is ignored now, by even Congress who can collect their pensions at age 62. Why is that the case? Shouldn't you all be the examples, and not the exception? It eludes me how people, think they should be outside of what they regulate for others. (Just sayin.) The problem isn't a certain age, the problem is most retire long before the 65 set in 1974.
7. Participants have no say in their own pension funds? Let's go back to Central States. Thomas Nyhan has been connected to this fund for a long time. Questions were brought up in 2001, and even more questions after 2008. MPRA was tried and failed. In any normal business, stakeholders should have the option of removing those in management, if they feel they are no benefit to the stakeholders alone. And yet, even as the retirees outnumber actives in this fund, the retirees have say in anything regarding their pensions. This is what made MPRA such an oxymoron. To use the voting style of Corporations, to determine whether MPRA passed, and yet, not allow say in anything else, points to how clueless Congress really is, in what is going on with these pensions, and how stakeholders are treated.
8. Stakeholders don't have a clue to what is really going on in their funds. A letter in cryptic actuarial language, given once a year, hasn't helped these people at all. Layman's terms are avoided and for a specific reason. The less they know, the less pressure these managers and trustees face. And the comical thing, is I highly doubt, some of the trustees who were once drivers even understand their roles in this, after all, who is training them?
9. Which brings me to why, as an agent, who deals with hundreds of thousands of dollars, I am required to be licensed, to take classes on what a fiduciary is, and to have continuing education, to be able to do so, and they are not? Seriously, you have funds failing, and no one here thinks it's because the fiduciaries aren't educated to know what to do? Who then is giving them advice? Why are some pensions, like the Western Conference successful, and funds like Central States failing? Because Deregulation, market declines, and all the things, affected ALL pension funds, and yet some are strong, some are not. The reality here is the Western Conference is managed by a "public entity". I would like to see a comparison, in public verses private, because I believe when you compare, you will see private funds, just don't have
 - a. The education backgrounds needed to do the best things

- b. Public entities have a reputation to uphold to get more business. Private funds are not competing.
 - c. Public entities, have stakeholders, that are involved in the business, but are not stakeholders in the funds. If entities like Prudential, and the decisions aren't up to the expectations, those stakeholders act, and replace those who are not excelling.
10. Too much collusion. Borzi of the DOL traveling abroad, with employers, fund managers, actuarial people, ERISA attorneys. Education entities started by trustees, in exotic places, and these people invited. Why is this a problem? Because we feel Thomas Nyhan has become one of the good ole' boys with the DOL, hence they will not act on our complaint now, because of personal ties, instead of being objective, as they should be.

You must look at this in pension reform. As you listen to these experts, tell me if they were all so good, why we are here now? Because their advice over the years, may have been advice to keep the action going and keep their own money in their pocket. As said in the beginning, people have made, and continue to make fortunes in these pensions.

ERISA Law, states it simply. Protect the fund and protect the participants. It's kind of funny, because that law, excluded, the employers. That is why the NCCMP was created. So, remember as they try and tell you that they are representing the participants, I hope an eyebrow is raised here, because **the NCCMP** deliberately kept the PBGC Premiums down, and bragged about it on the old website, and we had the foresight to copy it before they took it down. **Now, what really brought the attention to this whole pension issue? Last time I looked it was because the PBGC, is so underfunded. Does this explain, once again, another example of why the single employer side of the PBGC is improving, but the Multi-Employer side was raised only to \$28.00 per year? In my site of insurance, that would cover a kitchen faucet, or a visor in your car, and that's it, if you were hit directly by a tornado, or got into an accident that totaled your car.**

11. You don't need to go to Hawaii, or Florida, or Las Vegas, to get educated in pensions. Sorry, we have conventions in these places. We pay our own way in Real Estate. No one can tell me, what they do in these places, because, most know why these places are chosen.

Where is the questioning accountability of these funds? You want solutions? Then look at ERISA and have them.

12. Ethics, Fiduciary Responsibility, Accountability, transparency, and mostly a voice is non-existent in this whole thing. I can't believe this all runs this way, and Congress ignores it.

So, answer me this. If the DOL, isn't taking complaints seriously, do you think a lawsuit, against a critical or declining fund will solve issues or make them worse? Do we sue the DOL for their lack of responsibility in all of this?

You really want to fix things, enforce, demand transparency, and demand accountability. And we mean, the DOL. That is the heart of your problem, and why it's not being addressed at all is beyond me.

Sincerely,

Mary Packett

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